



SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA-2015-0069]

Finding Regarding Foreign Social Insurance or Pension System—Australia

AGENCY: Social Security Administration (SSA)

ACTION: Notice of Finding Regarding Foreign Social Insurance or Pension System—Australia

FINDING: Section 202(t)(1) of the Social Security Act (42 U.S.C. 402(t)(1)) prohibits payment of monthly benefits to any individual who is not a United States citizen or national for any month after he or she has been outside the United States for 6 consecutive months. This prohibition does not apply to such an individual where one of the exceptions described in section 202(t)(2) through 202(t)(5) of the Social Security Act (42 U.S.C. 402(t)(2) through 402(t)(5)) affects his or her case.

Section 202(t)(2) of the Social Security Act provides that, subject to certain residency requirements of Section 202(t)(11), the prohibition against payment shall not apply to any individual who is a citizen of a country which the Commissioner of Social Security finds has in effect a social insurance or pension system which is of general application in such country and which:

(a) pays periodic benefits, or the actuarial equivalent thereof, on account of old age, retirement, or death; and

(b) permits individuals who are United States citizens but not citizens of that country and who qualify for such benefits to receive those benefits, or the actuarial equivalent thereof, while outside the foreign country regardless of the duration of the absence.

The Commissioner of Social Security has delegated the authority to make such a finding to the Associate Commissioner of the Office of International Programs. Under that authority, the Associate Commissioner of the Office of International Programs has approved a finding that Australia, beginning September 27, 2001, has a social insurance system of general application which:

(a) pays periodic benefits, or the actuarial equivalent thereof, on account of old age, retirement, or death; and

(b) permits United States citizens who are not citizens of Australia to receive such benefits, or their actuarial equivalent, at the full rate without qualification or restriction while outside Australia.

Accordingly, it is hereby determined and found that Australia has in effect, beginning September 27, 2001, a social insurance system which meets the requirements of section 202(t)(2) of the Social Security Act (42 U.S.C. 402(t)(2)).

In 1968, we determined that Australia's national pensions system did not meet the requirements of 202(t)(2)(A) of the Social Security Act (Act). However, under the provisions of section 202(t)(4) of the Act, citizens of Australia were afforded the limited exceptions to the alien nonpayment provision under section 202(t)(1) if the worker had

10 years of U.S. residence or 40 quarters of U.S. coverage. We published notice of our determination in the Federal Register December 20, 1968 (33 Fed. Reg. 19054).

In 1992, Australia enacted a new national coverage scheme system called the Superannuation Guarantee (SG). The SG is a contribution system of mandatory individual accounts intended to supplement Australia's national residence based pension system as a second tier. The SG provides benefits at retirement age based on the accumulated value of invested contributions in the worker's account. Upon review, the SG was found to meet all of the requirements of the section 202(t)(2) provision. This review required a new determination under section 202(t)(2) for Australian citizens.

FOR FURTHER INFORMATION CONTACT: Donna L Powers, 3700 Robert Ball Building, 6401 Security Boulevard, Baltimore, MD 21235-6401, (410) 965-3558.

(Catalog of Federal Domestic Assistance: Program Nos. 96.001 Social Security – Disability Insurance; 96.002 Social Security – Retirement Insurance; 96.004 Social Security – Survivors Insurance)

Dated: December 16, 2015.

Vance Teel
Associate Commissioner
Office of International Programs

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